

call charges and decrements call charges from a debit account, the mobile phone unit comprising:

communication means in the mobile phone unit for wireless communication in the phone network;

internal processing means in the mobile phone unit including a processor, a clock and memory for processing calls and call charges;

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program means retained in the memory of the mobile phone unit including rate data and a complex billing algorithm with a multiple factor accounting protocol for classifying calls according to the basic categories of local calls, long distance calls, international calls and roaming calls, applying a call rate according to category, and calculating call charges as calls are made, the program means further including internal accounting means for generating an internal debit account in the phone unit, wherein the phone unit has means for communicating with the system provider and adding an authorized amount to the debit account;

wherein the mobile phone unit internally calculates call charges and decrements the calculated call charges from the amount in the debit account in the mobile phone unit as calls are made and wherein, to add amounts to the debit account, the mobile phone unit further includes phone unit identification information to be transmitted [means] for verification by the system provider using the host processor, which host processor also verifies that a phone use account amount addable to the debit account of the identified phone unit has been prepaid; and

locking means for preventing calls from the phone unit when the amount in the debit account is exhausted.

REMARKS

Claims 1-12, 14, 16 and 18-49 remain in this case for consideration. Claims 50-75 have been canceled, without prejudice, solely to simplify and expedite prosecution of the present application. As a courtesy, an Appendix is provided at the conclusion of this Amendment with all the pending claims presented.

Applicants would first like to thank Examiners Gesesse and Urban for meeting with their attorneys on September 21, 2000 at the U.S. Patent and Trademark Office to discuss

57